City of Lafayette
City Council Special Meeting
Senior Services Commission & Senior Housing Task Force Special Meeting

MINUTES

Lafayette Community Center – Elderberry Room **June 23, 2008**
500 St. Mary's Road, Lafayette, California **6:30 p.m.**

1. CALL TO ORDER

Mayor Anderson called the meeting to order at 6:30 p.m.

2. ROLL CALL

Present: City Council: Mayor Anderson, Vice Mayor Tatzin, Councilmembers Andersson, Anduri and Federighi

Senior Services Commission: Ruth McCahan, Chairperson; Commissioners Mary Fuchs, Mary Miller, Bob Nolan, Sandra Smith and Steven Swantner.

Senior Housing Task Force: Mary Miller, Mary Fuchs,Tom Chastain,Will Lovitt; Councilmembers Anduri and Federighi

Absent: None

Staff: Steven Falk, City Manager; Mala Subramanian, City Attorney; Niroop Srivatsa, Planning & Building Services Manager; Mei Sun Li, Senior Center Coordinator; Joanne Robbins, City Clerk

3. ADOPTION OF AGENDA

ACTION: It was M/S/C (Tatzin/Federighi) to adopt the agenda. Vote: 5-0-0 (Ayes: Anderson, Tatzin, Andersson, Anduri, Federighi; Noes: None; Absent: None).

4. PUBLIC COMMENTS – None

5. STAFF REPORT

A. Senior Services Commission & Senior Housing Task Force Accomplishments for 2007/2008 and Goals for 2008/2009
Recommendation: Receive and File

Chairperson McCahan discussed the Senior Services Commission successes, as:

1. Receiving the City Council's approval for a budget increase for the Senior Services Center - have one lead coordinator Mei Sun Li and an assistant coordinator to support Mei Sun Li. Job descriptions have been developed for both positions.

2. The Senior Services Center produces between 75-94 programs per quarter. Each is a stand-alone program, and she said one of the differences in measuring the Center as

opposed to the Parks and Recreation offerings is that most programs and activities are one-time activities. She provided a brief description of the differences.

3. The creation of a Senior Center Evaluation Task Force – Mary Fuchs, Sandra Smith and Barbara Schuh visited a number of senior centers in the County and saw how they operated, received copies of their budgets and good ideas some of which they will try to implement next year.

4. Approval of a Needs Assessment Task Force by the City Council – The task force comprises of 11 members, they have held 3 meetings and 1 scheduled for June 24 with Dr. Scharlach, Professor at UC Berkeley, who led the Monument Boulevard Corridor Senior Needs Assessment. They are learning a lot about needs assessments and are planning on how the project will proceed, received copies of needs assessments, RFP's and reports from Lake Oswego, Oregon, Danville, Orinda, and Monument Boulevard Corridor, and the task force wants to start off with things easy to achieve and delay response to more challenging/higher cost issues.

5. Support to the Community – Members are represented on the Downtown Strategic Plan and three Commissioners serve on the Senior Housing Task Force.

Commissioner Mary Miller provided a brief report on the Senior Housing Task Force 2007 accomplishments, stating she would briefly discuss the senior housing project on the Lemos property, said they have held several joint meetings and workshops with the City Commissions and Eden Housing. She visited a project of Architect Rick Williams in Walnut Creek, specifically reviewed how their garbage chutes worked, said the units were spacious, all have an outside window, porches, strikingly beautiful courtyards, and a community vegetable garden. Eden Housing is in their due diligence period and ready to file an application for a $6 million HUD loan for the project. One goal for 2008 and 2009 is to break ground for the Lafayette Affordable Housing project.

6. Senior Liaison Committee – Chairperson McCahan said this is a joint effort between the Lafayette Community Foundation's committee and the Lafayette Senior Services Commission. They decided it would be a good idea to bring the seniors together in the same kind of environment; there are many services provided in Lafayette but they do not communicate well, and they held two liaison meetings with approximately 25 attendees at each meeting. This spring they held an all-day Symposium with 108 attendees to focus on aging in place, housing, transportation and volunteering.

7. Lafayette Services Activity and Service Directory – Compiled, published and distributed by the Senior Liaison Committee which outlines valuable resources.

8. Commission representation - Each Commission member is assigned to organizations and committees in addition to their Senior Services Commission assignments. These include the Accessible Services Committee of County Connection, Central Contra Costa Senior Coalition, Contra Costa County Advisory Council on Aging, Contra Costa for Every Generation, the Lafayette Senior Housing Task Force, the Lafayette Needs Assessment Task Force, the Lafayette Senior Liaison Committee, the Senior Center Evaluation Task Force, the Center for Independent Living, and the Lafayette Downtown Strategic Plan.

<u>Goals for 2008/09:</u>

1. Have the Senior Center open on a regularly scheduled basis, 5 days a week, 6 hours a day, staffed.
2. Have the Senior Center maintain a 24-hour response to telephone calls.
3. Investigate establishing an annual membership fee.
4. Develop a data collection system to keep track of members, productivity and responses.
5. Add programs and activities, research sports programs, hold a Senior Art Fair and hold other events.
6. Continue to partner with Lafayette Community Foundation and seek out other partners such as Rotary, the Library Foundation and the Garden Clubs.
7. Continue to push for a centrally located Senior Center.
8. Continue to encourage volunteerism.
9. Integrate the senior transportation operation more closely with the Senior Services Commission.
10. Investigate and initiate a monthly senior newsletter which will free up space in the Parks and Recreation brochure and provide seniors with topical information.
11. Continue work of the Needs Assessment Task Force; establish a timeline, develop and issue the RFP, secure alternative financing, evaluate responses and report back to the City Council.

Chairperson McCahan distributed to the Council an outline of her report, copies of the proposal for the increase in hours, copy of the job descriptions, samples of flyers on senior programs, proposal for the Needs Assessment, agendas from the Lafayette Liaison Committee meetings, and a copy of the chart of Commissioner Assignments.

Councilmember Andersson confirmed with Chairperson McCahan that the purpose of the membership fee was to initially defer the cost to produce a newsletter and they are working on the mailing list.

Mayor Anderson and the Council thanked the Senior Services Commission and Task Force members for their work and presentation.

6. ADJOURNMENT

ACTION: It was M/S/C (Federighi/Tatzin) to adjourn the meeting at 7:05 p.m. to the Regular City Council meeting. Vote: 5-0-0 (Ayes: Anderson, Tatzin, Andersson, Anduri, Federighi; Noes: None; Absent: None).

APPROVED:

_____
Mike Anderson, Mayor

ATTEST:

_____
Joanne Robbins, City Clerk

City of Lafayette
Public Meeting Agenda
City Council Regular Meeting

MINUTES

Lafayette Community Center – Manzanita Room **June 23, 2008**
500 St. Mary's Road, Lafayette, California **7:00 p.m.**

1. CALL TO ORDER

Mayor Anderson called the meeting to order at 7:10 p.m.

2. ROLL CALL

Present: Mayor Anderson, Vice Mayor Tatzin, Councilmembers Andersson, Anduri and Federighi

Absent: None

Staff: Steven Falk, City Manager; Tracy Robinson, Administrative Services Director; Ann Merideth, Community Development Director; Niroop Srivatsa, Planning & Building Services Manager; Jennifer Russell, Parks, Trails & Recreation Director; Mala Subramanian, City Attorney; Tony Coe; Engineering Services Manager; Ron Lefler, Public Works Services Manager; Lt Mike Hubbard, Police Services Manager; Joanne Robbins, City Clerk

3. PLEDGE OF ALLEGIANCE – led by Mayor Anderson.

4. ADOPTION OF AGENDA

Mayor Anderson reported there was a request to add an emergency item to the agenda as Item 9A, regarding the Moraga Center Specific Plan. City Attorney Subramanian said the emergency item came to the attention of staff after the agenda was posted and it requires attention prior to the next meeting.

ACTION: It was M/S/C (Tatzin/Federighi) to add the emergency item as Item 9A to the agenda. Vote: 5-0-0 (Ayes: Anderson, Tatzin, Andersson, Anduri, Federighi; Noes: None; Absent: None)

Councilmember Tatzin reported there was a request to discuss Item 11C and recommended continuing the item until the next meeting in July.

ACTION: It was M/S/C (Tatzin/Andersson) to adopt the agenda, as amended, to continue Item 11C to July 14, 2008. Vote: 5-0-0 (Ayes: Anderson, Tatzin, Andersson, Anduri, Federighi; Noes:None; Absent: None).

5. REPORT FROM CLOSED SESSION - None

6. PUBLIC COMMENTS

DAVID HIDEN, Friends of the Lafayette Library Treasurer, said over the years, Book Room proceeds have enabled them to provide funding for the Library. Joan Merriman who ran the book store for over 40 years until her recent passing put a large money jar on the Library's Desk and funds collected have been donated to the City. He presented the City with a check for $500 which were donations collected in Joan's jar.

Councilmembers thanked Mr. Hiden for the Friends' donated proceeds in the amount of $500.

7. PRESENTATIONS
Steven Falk, City Manager
Summary of Spring 2008 Revenue Measure Feasibility Survey by Godbe Research
Recommendation: Direct staff.

City Manager Falk gave a brief background, stating that the Council had authorized Godbe Research to conduct a survey of 600 residents to determine their interest and willingness to pay a general tax in the form of a utility user's tax or sales tax, and introduced Mr. Brian Godbe.

Brian Godbe, Godbe Research, introduced Charles Heath of Tramutola and presented the results of the survey and research objectives :

- Assess potential voter support for a revenue measure to fund the maintenance and improvement of city services;
- Survey the tax rates and duration at which voters will support a measure;
- Prioritize potential projects to be funded based on voter reception;
- Test the influence of positive and negative statements on potential voter support;
- Identify any differences in potential voter support due to demographic and/or voter behavioral characteristics.

Mr. Godbe said the methodology included data collection from a pool of 13,622 likely November 2008 voters in the City. They conducted the phone survey from May 19 to June 5, 2008, interviews were approximately 18 minutes each, the sample size was 600, and the margin of error of the overall sample was ±3.9%.

When asked about what is important to them, voters indicated that the following issues were either very or somewhat important. A number representing relative importance was assigned to each response and a composite "score" was calculated. Issues getting a score of 1.0 or more indicate that these are the issues most valued by respondents:

Maintaining City Streets and Roads	1.6
Improving the quality of public education	1.6
Preserving and expanding parks and open spaces	1.4
Reducing traffic congestion	1.3
Reducing crime	1.3
Preserving the historic Park Theater	1.1
Preventing local tax increases	1.1
Extending library hours and programs	1.1

As an initial test of potential support, the voters were read a summary of the sales tax measure and asked whether they would vote yes or no in an election. Approximately 52% of the voters

indicated support for the measure, with 25% saying "definitely yes" and 27% saying "Probably Yes." Given the 6% margin of error for the question (n = 300), this initial test indicates that current support for the measure is between 46% and 58% among likely November 2008 voters.

Regarding support at different tax rates, the voters were read a list of four tax rates in descending order, and asked if they would vote yes or no on the measure at each rate. Given the 6% margin of error for the question (n = 300), if any of the tested tax rates received 56% "Yes" responses (simple majority required to pass a Proposition 218 measure plus the 6% margin of error), it would be an indication that the proposed measure has the necessary voter support. As shown in the chart below, 64% of the voters surveyed would support a one cent sales tax. Support for the measure increased to 67% and 73% for tax rates of three-quarter cent and one-half cent, respectively. Finally, support for the measure peaked at 75% for the one-quarter cent sales tax.

Regarding duration of the measure, the voters next were presented with a range of durations of the sales tax measure. Just 42% of the voters expressed support for the measure if it were to never expire. Decreasing the duration of the measure had the overall effect of increasing support. Specifically, 63% of the voters supported a measure lasting 10 years and 66% of the voters supported a measure lasting 8 years. Although sufficient voter support was not found for an evergreen sales tax measure, there is currently adequate support among likely November 2008 voters for a measure lasting 10 years.

Regarding the influence of specific projects on voter support, the voters next were presented with a list of 19 potential projects to be funded and asked whether they would be more or less likely to vote for a measure if each project were funded. Responses were coded similarly to the first issues test and averaged, such that a higher score indicates that the project has a greater influence on likely voter support. Below are the 9 projects that were relatively more influential. Based on previous research, these projects had a moderate effect on potential support for the measure, with maintenance and repair of local streets and roads resonating more strongly with the voters surveyed:

Fill Potholes	1.1
Repair failing city streets and roads	1.0
Ongoing maintenance of all 99 miles of roads	1.0
Maintain and repair major city streets	0.9
Maintain and repair public neighborhood streets	0.9
Support the new Library and Learning Center`	0.8
After-school library programs for children and teens	0.8
Provide recreation facilities/programs to serve all ages	0.7
Maintain park play structures and sport fields/facilities	0.6

Shown below are projects that were relatively less influential on support for a revenue measure. In fact, as indicated by a negative mean score, one of these projects made the average voter less likely to support the measure. Approximately 48% of the voters surveyed indicated that they would be less likely to support the measure if the funds were used to "hire 17 additional police officers and public safety specialists." It is important to note that the voters had a positive response to having additional police officers on duty, and they indicated support for other public safety projects and programs:

Two additional police officers on duty at all times	0.5
Provide Library hours on evenings/weekends	0.5

Acquire land to expand parks and open spaces	0.4
Patrols, neighborhood watch, and crime prevention	0.4
Maintain downtown landscaping/lighting	0.3
Maintain and expand downtown parking facilities	0.3
Provide detective, anti-drug, and crime prevention officers	0.3
Preserve historic buildings downtown	0.2
Purchase and renovate the Park Theater	0.2
Hire 17 additional police officers and safety specialists	-0.2

Regarding influences of positive statements, responses to the 12 positive statements were coded and averaged, such that a higher score indicates that the statement made the voters more likely to vote "yes". Results indicate that the top six statements, shown below, would make the average voter more than somewhat more likely to support a measure. Consistent with the findings of the previous question, the benefits of the measure to maintenance and repair of city streets and roads resonated well with voters. Additionally, the average voter was more than somewhat more likely to support a measure after hearing that it will generate local funds for local needs and include annual audits and reports to the community.

Generate local funds for local needs	1.2
17% of city streets/roads have received a failing grade	1.1
Preserve open spaces and prevent hillside development	1.1
Waiting will make streets more dangerous/expensive to fix	1.1
With a sales tax everyone pays their fair share	1.1
Include annual audits and reports to the community	1.1

The next statements were relatively less influential on voter support. Although these messages had an overall positive effect on potential support, the statements shown on the previous page had a stronger influence and, therefore, should be emphasized in a voter education campaign.

State is facing a financial crisis and may reduce funding	1.0
Help protect property values by providing quality services	1.0
Guarantee adequate police officers on duty	1.0
Lafayette has lowest police staffing of any city in County	0.9
Improve response time for police services	0.9
Historic downtown buildings help preserve unique character	0.8

Regarding the influence of potential negative statements, responses were coded and averaged, such that a higher average score indicates that the statement made the voters more likely to vote "no". Overall, the voters were most concerned with the allocation of funds and the affordability given the pending School District bond measure. Approximately 50% and 47% of the voters, respectively, indicated that they would be less likely to support the measure after hearing this information. In comparison, the voters were less influenced by a statement regarding the trustworthiness of the City Council and staff to spend the money wisely. Specifically, 65% of the voters indicated that this statement had no effect on their support.

No rules that direct the spending	0.8
School District will have a bond measure on the ballot	0.7
Failed to pass measures in 2004, 2006, and 2007	0.6
Now isn't the right time with the current economy	0.5
Increasing sales taxes will chase shoppers away	0.5
Already have a low crime rate and roads are maintained	0.5

Services should be paid with current revenues	0.5
Council and staff can't be trusted to spend wisely	0.5

After hearing more about the sales tax measure, total voter support was at 59%, which represents a decrease in potential support from the 64% observed in the threshold test at the beginning of the survey. Results indicate 36% of voters surveyed reported that they would definitely or probably vote no on the measure, whereas 31% of the voters had indicated opposition in the threshold test. Given the 6% margin of error, Mr. Godbe said he could conservatively estimate that current support for the measure is between 53% and 65% among likely November 2008 voters.

Conclusions:

The survey shows potential voter support for a sales tax, and suggests that the City should move forward with considering the measure for a November 2008 election:

- Given the 6% margin of error, current support for the sales tax is adequate for the simple majority required by Proposition 218 in November 2008;
- The tax threshold test and final ballot test showed 64% and 59% support, respectively, for a one cent sales tax measure;
- It is recommended that the tax rate not exceed one cent. Additionally, the survey revealed that lower tax rates garner higher support among voters, and therefore, would reduce the electoral risk;
- Regarding the duration of the measure, 63% of the voters surveyed expressed support for a measure lasting 10 years. This duration would maximize the potential success of the measure.

If the City decides to place a sales tax measure on the ballot in November 2008, then:

- The ballot statement should be carefully worded to reflect the concerns and interests of the voters in Lafayette;
- A concerted public information effort and a well-funded, independent, voter education campaign are critical to maximize success.

The following services garnered the most support:

- Fill potholes and repair failing city streets and roads;
- Provide funding for the ongoing maintenance of all 99 miles of Lafayette roads;
- Maintain and repair major city streets and public neighborhood streets;
- Support the new Lafayette Library and Learning Center programs and services;
- Support after-school library programs for children and teens;
- Provide recreation programs to serve all ages – children, teens, adults and seniors; and
- Have additional police officers on duty at all times.

Councilmembers discussed how questions were formatted and how the sample voted or supported the previous roads and police measures, which Mr. Godbe said would require more analysis.

Mr. Godbe said the City's community information efforts should also emphasize the positive statements that resonated the most strongly with voters:

- This measure will generate local funds for local needs, and no money will go to other communities or the State;
- Over 17% of city streets and roads have received a failing grade. This measure will complete road maintenance and repairs throughout the City;
- This measure will preserve local open spaces and prevent hillside development;
- More than $14 million dollars is needed to fund the overdue maintenance and repair of our City streets. Waiting to make these repairs will only make our streets more dangerous and more expensive to fix;
- With a sales tax, you pay on what you spend, so everyone pays their fair share, including visitors and shoppers from outside Lafayette;
- This measure will include annual audits and reports to the community to keep the City accountable for how the funds are spent.

Councilmember Anduri noted the sales tax was currently 8.25%, and he questioned if it made any difference if the tax were an additional half-cent or rounded up to 9% based upon Mr. Godbe's experience. Mr. Godbe discussed the psychological effects on pricing and said he believed the City should focus on the increased amount and not the total amount on the ballot question. He was also not sure of what the psychological difference between 9% versus 8.75% would be on voters.

Councilmember Federighi voiced concern about posing a question that lists many different things the money could be used for, as there would be no way the City could have officers on duty at all times, repair all of the failing roads, and pay for open space with even a one percent increase. Mr. Godbe said when they write the survey, they do not know what people will actually support and what revenue would be available to fund various projects, and they try to be more inclusive rather than exclusive. What they will find is that if the measure is scaled back to reflect revenue allocated be focused more on priority projects, and since the voters have told the City they want to pay for, the City will see a support for increase rather than decrease by focusing on those priorities.

Councilmember Anduri said he thinks there is an inherent problem of saying the City will have an audit and a ballot measure in which it cannot specifically say where the money is going to go and a ballot measure that targets specific monies. If the City had a one-half percent sales tax increase and applied it solely to the roads for 8 years, the road problems could be solved.

Mr. Godbe said although a measure specifying use could not qualify for a simple majority general tax, the City can make political promises as to how the funds will be used, at least in the near term, if voters approve the measure. Then, the audit becomes important to verify to the voters that the money has been used for its intention. He said this can be further strengthened by the way the ballot measure is written. And, while they cannot legally limit the use of the funds, the City can describe its intended purposes in the measure.

Councilmember Anduri questioned and confirmed with Mr. Godbe that if the City were to focus just on roads, it would most likely see a significant increase in support.

Councilmember Andersson referred to taking political positions as to how the money could or would be spent, and he confirmed with Mr. Godbe that if there were general agreement, it could

be something done with full Council consensus which could be communicated through a public information and advocacy campaign.

Mayor Anderson questioned whether or not the ballot language would contain any potential projects or would it be left as neutral. Mr. Godbe displayed the Initial Ballot Test language on page 5 of the PowerPoint presentation, which listed out several services that would benefit from passage of the measure. He said the final ballot language would be similar and could be edited from information gathered from results of the survey to better focus on priorities. He noted there is a limit of 75 words and "the City of Lafayette" is counted as a single word.

In summary, Mr. Godbe said the results are encouraging in comparison to what they see in other cities in similar situations. He believes it is a "green light", but the issue does become one of timing; the better informed the public is, the higher turnout of the election and the better the chances of a successful passage. If information is not communicated to the public, results in November will be affected and that is where the next phase of the project becomes critical. One of the biggest challenges with a November election is fighting through all of the noise accompanying the election, and at times one of the biggest risks is that measures like this could get lost.

Councilmember Federighi confirmed with Mr. Godbe that it was more advantageous for a measure of this type to go on a general election ballot rather than a special election ballot because of the clear correlation seen between support from the propensity of voters who will turn out in a November election versus the lower numbers of voters not likely to vote in a special election, thereby resulting in larger numbers.

Councilmember Anduri confirmed with the City Manager that the Council will meet on July 14, July 28 and August 11. The County's preferred deadline is July 21st and the absolute final deadline is August 8th. Therefore, there are a maximum of two regular meetings prior to that deadline.

Councilmember Anduri confirmed that the additional 1% tax currently assessed over the state minimum of 7.25% comes from the Measure C transportation match.

Councilmember Federighi confirmed with the City Manager that the cities of Richmond and El Cerrito, and possibly San Pablo, had approved sales tax measures which have brought them past the tax rate of 8.25%.

Mayor Anderson questioned the effect the increased sales tax measure would have on shopping trends. City Manager Falk said the sales tax is technically a transactions and use tax, which is generally applied to merchandise that is delivered in the jurisdiction that imposes the tax, with some exceptions. He said one of the misconceptions among many people is that sales tax for vehicles, boats, and aircraft accrue to the City in which the dealer is located. But in fact, when a Lafayette resident buys an automobile the tax is accrued to the City of Lafayette regardless of where the vehicle is purchased. Likewise, when work is done such a kitchen remodel, i.e., cabinets installed by a contractor at $30,000 would be attributed to the City in which the cabinets are installed. If the cabinets are bought at an outside Home Depot, for instance, and installed by the homeowner, the City store in which they were bought would receive the sales tax. He said it requires tracking on the part of the business owner or installer, and this subject has been discussed by the Chamber of Commerce and is a common practice.

Public Comments:

GUY ATWOOD said he thought it was too soon to read support from organizations and voiced concern about the impact on sales given the increase in the sales tax. He said the revenue side of the tax is not so important to the City but it is to business owners, which might fail. He questioned what would need to be achieved to run a successful campaign, as he did not believe a large group of people would be able to dedicate time during July and August. Also, ballots would go out early October, many people vote by absentee and he questioned what impact this would have in the time to run a campaign. From a polling standpoint, he questioned what the impact was of the cumulative impact from a negative argument and whether anything other than sales tax was polled, and if so, what was the result. He also questioned the impact of the Governor's budget.

Regarding what the expected impact is on sales with a 1% sales tax, City Manager Falk said both the Executive Director of the Chamber of Commerce and City staff called dozens of cities and learned there is virtually no impact. However, Chambers of Commerce believes that there is an impact, but there is no hard data to present this evening.

JAY LIFSON noted that a city had passed a sales tax increase in 2005 and before the measure was put on the ballot, they hired a consultant to do a study of other cities that have passed sales tax measures. The consultant found there was no discernable impact on sales within a City once the increase was approved.

Mayor Anderson referred to the question for the type of campaign and the timing for information to get out to the community. Mr. Heath said there are two phases of the campaign envisioned; first would be one led by the City as an informational awareness effort that does not advocate for a specific outcome, talks about challenges of the City and options to be considered for addressing those options. Once this phase is underway, resources and volunteers should be recruited to work on outreach to the community.

Regarding the cumulative impacts of several arguments against the measure, Mr. Godbe said there is a total of 59% who support the measure which should actually increase, assuming the City communicates what the measure is for, and he thought the positives outweighed any cumulative impacts.

Regarding additional tax measures proposed in the survey, Mr. Godbe said there was a user utility tax and the same methodology was used, which revealed 47% versus of 52% in the first test, and 30% was received versus 59% for the second test. So, the utility tax did not fare as well and this was why he recommends a sales tax measure be proposed.

Councilmember Anduri believed there were many cities which have passed utility users taxes and he questioned why the percentages were lower for support. Mr. Godbe believed the unique results were due to cities and their north and south locations, and Mr. Heath also reported that many of those utility user taxes were imposed prior to Proposition 218 and did not require a vote of the people. Therefore, the results of passage are somewhat skewed by lack of a requirement for an election.

Mayor Anderson referred to the Governor's proposal and said the idea is that there is a sales tax back-up if that item fails on the ballot, and he questioned the impact of this. Mr. Godbe said there would be an impact, but they did not test it in the survey. He felt there are many uncertainties between now and Election Day and it is anyone's guess as to how the State's

budget will play out over the summer. Hopefully, the State budget will be resolved by the time the measure is placed on the ballot.

LARRY BLODGETT said he and the City Manager spoke on several occasions as well as to the Chamber Executive Board on the matter and said the sales tax collected is based upon the 8.25%. In his business, he has never paid Pleasant Hill's sales tax to them or any other City they have done work in. After two audits the State has never told him he was doing anything incorrectly and requested further clarification on the issue. Regardless, he questioned what effect the added sales tax would have on the public because Lafayette is already viewed as a higher rent district, which he believes is not the case. He felt there could have been other questions which were not asked in the survey, stating one question that could have been asked was, "If you knew that Lafayette has a 1% sales tax increase and would become the highest in the County and in the state, would you be more or less likely to vote for it."

Mayor Anderson said there was information received from the survey as to whether 9% versus 8.75% made any difference. Mr. Godbe said they did not specifically test the total tax rates and did not pose a question regarding what effect the City having the highest tax rate in the State would be. A question was posed regarding whether increasing Lafayette's sales taxes might chase away shoppers or hurt businesses, and from their experience it would not do either. Where one purchases and delivers was something unknown to respondents in questioning, and he felt this was one of the reasons there needs to be a positive campaign.

GORDON MATTONEN said given the political comments, he felt the City was on the edge of the law as to whether it was doing a general tax or a 2/3 vote type of tax.

Councilmember Andersson questioned what Mr. Mattonen would consider to be "political wording" and Mr. Mattonen said the consultant indicated the ballot language on the measure includes streets and other services and in the past these have always been used in a 2/3 vote requirement and for a general tax, the specific wording is not supposed to be used.

Mayor Anderson confirmed there were no other public comments.

Vice Mayor Tatzin said he was encouraged by the results, suggested continuing the discussion to the next meeting, knows the Chamber of Commerce would like an opportunity to speak to some members, felt there may be community members who want to form an independent campaign and the percentage rate should be considered and further discussed. He asked the City Manager to bring back ideas about what suggested wording would be used for the ballot language, then discuss what an appropriate City information campaign would look like and the timing for it, and that a decision to be made some time in July.

City Manager Falk agreed and recommended the Council direct staff to work with the consultants to prepare a draft ballot measure based upon information derived from the poll and then have it available for consideration and public discussion at each of the next two meetings, with the anticipation that if something were favorably proposed, the Council could then adopt the language or amended language, at the second meeting in July.

Councilmember Federighi said she was gratified there is support yet she was surprised there was support at the 1% level. She voiced concern that a 1% increase puts the business community at a disadvantage, felt it is a significant increase and while it could conceivably raise approximately $2.5 million, what would it accomplish if only half were to be received. If several

items are proposed for the sales tax usage, she thinks the Council is raising expectations that are impossible to meet and was uncomfortable with the current proposal.

Councilmember Anduri voiced the need to sufficiently notice the item for the next Council meeting as there have been residents from the last two elections attend Council meetings who indicated they knew nothing about the final action taken by the Council. He said he had some of the same concerns of Councilmember Federighi, but not the concern about what the sales tax will do to the local businesses. His concern is about raising expectations during the campaign, because even with a 1% increase the City cannot come close to what everybody wants in roads, police, or greater library hours with $2.5 million per year. He thought the City could propose a half percent sales tax increase which could be used for the roads, but was not sure how this could happen given specificity requirements.

Councilmember Andersson said he was encouraged with the bottom line percentages to get something approved, believes there needs to be a good campaign, said the City cannot bind itself to what it will spend the money on but it can make a strong statement on its priorities, thinks it is critical to limit the focus which makes the campaign cleaner, more effective and more realistic in terms of what can be done with the money available. Regarding the impact of a 1% sales tax, arguments could be made that Lafayette would be the highest in the County as well as others, but in terms of its actual impact, the key thing is not how much it is but whether it changes the behavior of people shopping in town.

Councilmember Federighi questioned to what extent does a higher sales tax in a community help influence a business's operation and viability.

JAY LIFSON said in the past, the Chamber has been supportive in identifying ways in which funds can be raised to solve problems with police and roads, the measures of which have failed. If raising the sales tax is the last, best way to solve some of these problems, then the Chamber is willing to look at this. He said they invited the City Manager, Mayor and Vice Mayor to meet with their Executive Committee last week and review the results of the survey. There was somewhat of a shift in philosophy with their Committee who will go to the Chamber Board on July 15 and recommend that the Chamber not oppose an increase in sales tax. The biggest issue in the past has been the unknown of what will happen if the sales tax is increased and shopping patterns. If the City proposes a 1% sales tax, it will be the highest in the State, but there is no empirical data that shows people will shop elsewhere. He felt the issue was an emotional and psychological one, and the Chamber is most concerned about those businesses that may close as a result.

Mayor Anderson said he truly believes the City has come to its last, good option, said people have spent a great deal of time and effort trying to get something done to address the problems, there was a great rally of support and interest at the last election, and unfortunately the City fell short. But he felt this opportunity will bring the bar down to a 50% level, said the City knows if it receives the same campaign effort the measure should pass, and he encouraged and invited those who participated in the last process to come forward and rally around the measure. He was not too concerned about the language except that it be legal and fit the requirements of the 50% needed vote. He believes the process is a good one and the City should confirm and relay its priorities to the public.

ACTION: It was M/S/C (Tatzin/Andersson) to continue the item to July 14, 2008 with noticing, direct staff to draft ballot language for a November Sales Tax Measure, return with information on the content and timeline of a City-component informational campaign, direct staff to prepare

scenarios of expenditure plans on a hypothetical basis, describe how an independent audit of the incremental proceeds might be conducted, and information on the impact of various levels of a sales tax increase to adjacent communities. Vote: 5-0-0 (Ayes: Anderson, Tatzin, Andersson, Anduri, Federighi; Noes: None; Absent: None).

Councilmember Andersson reiterated that the City should be fairly specific about its intent, but not necessarily its obligation, as to how money should be spent which he felt was critical in the campaign. He also said previously failed measures did necessarily not fail, but simply did not get a 2/3 vote, and there was support in the community. If those people who worked on previous campaigns could get together to work in a short timeline and get those same people to vote in support of the measure, their issues would be part of the solution.

(***Convene Joint City Council and Planning Commission)***

8. **OLD BUSINESS**

   A. **Discussion on an Inclusionary Housing Ordinance and key components, economic update, questions and comments from the stakeholders, and items to include in the draft ordinance**
   Recommendation: Discuss and direct staff

   B. **Eastern Deer Hill Road General Plan and Zoning Amendments GP03-04, CITY OF LAFAYETTE (APPLICANT): Amendment to General Plan Map I-1 to reclassify three properties (APN 232-140-014, 232-150-027, and 232-150-028) located on Deer Hill and Pleasant Hill roads from Administrative/Professional/Office/Multifamily Residential to Rural Residential Single Family and/or Low Density Single Family. The Planning Commission may also consider an amendment to General Plan Map I-1 to reclassify four properties (APN 232-140-004, 232-140-010, 232-140-016, and 232-150-021) located on Deer Hill and Pleasant Hill roads from Low Density Single Family Residential to Rural Residential Single Family.**

   RZ02-04, CITY OF LAFAYETTE (APPLICANT): Change of zoning designation for three properties (APN 232-140-014, 232-150-027, and 232-150-028) located on Deer Hill and Pleasant Hill roads from APO to L-R-10 and/or R-20. The Planning Commission may also consider rezoning four properties (APN 232-140-004, 232-140-010, 232-140-016, and 232-150-021) located on Deer Hill and Pleasant Hill roads from R-20 to L-R-10.
   Recommendation: Discuss and direct staff

Planning and Building Services Manager Srivatsa reported a lack of a quorum of the Planning Commission because one member of the Planning Commission had to leave, said one member from the stakeholder's group also had to leave and the consultant was somewhat pressed for time. She suggested the Council postpone the items and re-schedule a special meeting.

Mayor Anderson apologized for those members having had to leave earlier, and Vice Mayor Tatzin suggested holding the special meeting in September. Ms. Srivatsa agreed to poll the Council and Planning Commissioners for possible dates.

ACTION: It was M/S/C (Tatzin/Federighi) to direct staff to reschedule a special joint meeting with the Planning Commission, with a date to be determined. Vote: 5-0-0 (Ayes: Anderson, Tatzin, Andersson, Anduri, Federighi; Noes: None; Absent: None).

(Adjourn Joint City Council and Planning Commission)

9. **STAFF REPORTS**
   A. **Niroop Srivatsa, Planning & Building Services Manager**
   Authorization of the expenditure of funds to hire a traffic consultant to review the Moraga Specific Plan Draft Environmental Impact Report
   Recommendation: Authorize the expenditure of a maximum of $15,000 to hire a traffic consultant to review the Moraga Specific Plan Draft Environmental Impact Report.

Ms. Srivatsa said the Town of Moraga commissioned a Draft EIR for a ±180-acre project known as the Moraga Center Specific Plan which is located at the southern shopping center at the intersection of Moraga Road and Moraga Way. The Draft EIR has been released and the deadline for public comment is August 1, 2008 which limits time for review and comment. Staff met with Moraga staff last week to review the Transportation section of the Draft EIR and it appears that preliminarily, the specific plan if fully developed will have some significant impacts on intersections in both Lafayette and Orinda.

She said Orinda has decided to hire a traffic consultant to do a peer review of the traffic section of the DEIR and staff recommends Orinda add Lafayette to the project and that the consultant provides a scope of work and proposal, which she said, was included in the agenda packet. Lafayette's portion of the consultant's total estimate of about $21,000 is approximately $12,000 due to the fact that there are more intersections in Lafayette for review. Both the City Engineer and Transportation Planner have reviewed the scope and recommend approval.

Therefore, staff is recommending the Council authorize the expenditure of a maximum of $15,000 for a peer review of the Draft EIR and the City has sufficient funds in both the Planning and Engineering budgets to cover the cost.

Vice Mayor Tatzin supported the effort, questioned what the Draft EIR suggests in terms of mitigation measures in Orinda and Lafayette. Ms. Srivatsa said this question was asked and the response was very little--previous attempts to widen both Moraga Road and Moraga Way have failed because of the lack of support from Orinda and Lafayette to widen those streets. Mitigations may include increased transit service and things that Lafayette would not consider effective mitigation measures for the City.

Vice Mayor Tatzin suggested asking the consultants to look at the recommendations for mitigation measures included in the updated Action Plan for Pleasant Hill Road because it discusses some traffic limiting measures. He said there is a possibility these could be applied to Moraga Way, Moraga Road and St. Mary's Road.

Mayor Anderson voiced concern with the short amount of time to address the matter, given the comment period deadline. Ms. Srivatsa noted a request for an extension of the comment period will be filed tomorrow.

Councilmember Federighi questioned if it was anticipated the proposal would cost more than $12,000, and Ms. Srivatsa said it potentially could if the consultant is asked to review the Pleasant Hill Road Action Plan, but City staff has not yet reviewed the proposal in detail and that is why she has requested a maximum of $15,000.

Mayor Anderson said if the City finds it is not happy with the proposed mitigations, he questioned whether the only recourse would be one involving legal counsel. City Attorney Subramanian said options could be discussed in the future, as needed.

ACTION: It was M/S/C (Tatzin/Andersson) to authorize the expenditure of a maximum of $15,000 to hire a traffic consultant to review the transportation section of the Moraga Specific Plan Draft Environmental Impact Report. Vote: 5-0-0 (Ayes: Anderson, Tatzin, Andersson, Anduri, Federighi; Noes: None; Absent: None).

10. PUBLIC HEARINGS - None

11. CONSENT CALENDAR

Mayor Federighi requested removal of Item 11A, and Mayor Anderson confirmed Item 11C was requested to be continued.

ACTION: It was M/S/C (Tatzin/Andersson) to approve the Consent Calendar consisting of Items B, D, E, F, G and H. Vote: 5-0-0 (Ayes: Anderson, Tatzin, Andersson, Anduri, Federighi; Noes: None; Absent: None).

B. **Stanley Boulevard/Warner Court Intersection Safety project, Project No. 014-9671**
Recommendation: Adopt Resolution 2008-32 authorizing the City Manger to execute all Master Agreements, program Supplemental Agreements, Fund Exchange Agreements, Fund Transfer Agreements and any amendments thereto for Federal Aid Project No. 5404(017).

C. **Agreement with CoreQuest Corporation and Contra Costa Boot Camp, requesting permission to use Lafayette Plaza each Monday, Wednesday and Friday from 9am to 10am for an exercise class.**
Recommendation: Continue to July 14, 2008.

D. **Request from Contra Costa County for approval of an extension of the Cooperation Agreement that allows the County to administer the Community Development Block Grant (CDBG) and the HOME Investment Partnership Act (HOME) programs for Lafayette.**
Recommendation: Approve request and authorize staff to notify the County.

E. **Agreement for installation and maintenance of existing and new landscaping between property owner, David Anderson and the City of Lafayette, for property located at 3158 Lucas Drive. APN 238-153-003**
Recommendation: Accept agreement and authorize the City Clerk to record.

F. **Agreement for installation and maintenance of existing and new landscaping between property owner, Bruce Whitten and the City of Lafayette, for property located at 13 Sessions Road. APN 232-040-023**
Recommendation: Accept agreement and authorize the City Clerk to record.

G. **Declaration of covenants for restriction on the design and use of a second unit between the property owner, Bruce Whitten and the City of Lafayette, for property located at 13 Sessions Road. APN 232-040-023**

Recommendation: Accept declaration relating to use, sale and occupancy of second unit and authorize the City Clerk to record.

H. Code Enforcement Activity Report
Recommendation: Receive and file.

Item Removed for Discussion:

A. June 9, 2008 City Council Minutes
Recommendation: Approve

Councilmember Federighi referred to page 6, middle of the page, "Agencymember Federighi believed it was a ~~needed~~ non-conforming use in the downtown area and supported the request."

JIM BURNS said his wife believes she was quoted in the minutes incorrectly on page 10. She also asked when there would be another meeting of the Roads Committee, as the Committee has not met for three or four months, and also she indicated she received compliments from people in Moraga about the quality of senior services.

> "ANN BURNS congratulated the Senior Service Commissioners for taking the initiative and thinks it is great the Council was able to fund their program. She asked that if the $25,000 is not used for the sign, could the Council use it sensibly and possibly for ~~roads or~~ more senior service programs, that she received compliments from people in Moraga about the quality of senior services, and that there be another meeting of the Roads Committee."

City Attorney Subramanian clarified that the minutes are not ever intended to be verbatim minutes, but simply to summarize the meeting to the best extent possible. City Clerk Robbins agreed, said a summary of the meeting is transcribed and public comments are summarized. If verbatim minutes are done, there would be significant added cost and the Council could choose to budget for this.

Mayor Anderson confirmed with the City Clerk that Mr. Burns' request to amend the paragraph would be addressed.

ACTION: It was M/S/C (Federighi/Tatzin) to approve the minutes of June 9, 2008, as amended. Vote: 5-0-0 (Ayes: Anderson, Tatzin, Andersson, Anduri, Federighi; Noes: None; Absent: None).

12. COUNCIL/COMMISSION REPORTS

A. Councilmember report on activities and consideration of matters a councilmember wishes to initiate for placement on a future agenda.

B. Mayor Mike Anderson
Designation of Voting Delegates and Alternates for the League of California Cities Annual Conference – September 24, 27, Long Beach
Recommendation: Appoint Carol Federighi as the voting delegate for the League of California Cities Annual Conference.

Mayor Anderson said he is unable to attend the Conference and Councilmember Federighi said she could serve as a voting delegate.

ACTION: It was M/S/C (Tatzin/Andersson) to appoint Councilmember Federighi as the voting delegate for the League of California Cities Annual Conference. Vote: 5-0-0 (Anderson, Tatzin, Andersson, Anduri, Federighi; Noes: None; Absent: None).

C. **Mayor Mike Anderson and Councilmember Brandt Andersson**
Appointing one new member to the Capital Projects Assessment Committee
Recommendation: Appoint Ann Farrell Diemer to the Capital Projects Assessment Committee.

Councilmember Andersson said the Council subcommittee met with Ann Farrell Diemer, voiced his support of her outstanding qualifications, stating she is the Director of Engineering for the Central Sanitary District. Vice Mayor Tatzin agreed and noted Ms. Diemer had also served on LAFCO for a number of years.

ACTION: It was M/S/C (Andersson/Tatzin) to appoint Ann Farrell Diemer to the Capital Projects Assessment Committee. Vote: 5-0-0 (Ayes: Anderson, Tatzin, Andersson, Anduri, Federighi; Noes: None; Absent: None).

D. **Councilmember Brandt Andersson and Councilmember Carl Anduri**
Resolution 2008-33 appointing three new members to the Bicycle Pedestrian Advisory Committee
Recommendation: Adopt Resolution 2008-33 appointing Robert Anderson, Dan Harkins and Rob May to the Bicycle Pedestrian Advisory Committee.

Councilmember Andersson said the Council subcommittee met, along with Chairperson Bart Carr, with the three applicants for three vacancies. He spoke briefly of their achievements and qualifications and recommended their appointments.

ACTION: It was M/S/C (Andersson/Anduri) to adopt Resolution 2008-33 appointing Robert Anderson, Dan Harkins and Rob May to the Bicycle Pedestrian Advisory Committee. Vote: 5-0-0 (Ayes: (Anderson, Tatzin, Andersson, Anduri, Federighi; Noes: None; Absent: None).

13. WRITTEN COMMUNICATION

A. **Denise Moore representing the Lafayette City Swim Meet requesting a proclamation recognizing the forty-second annual Lafayette City Swim Meet to be held at Acalanes High School on July 12-13, 2008 and proclaim the week of July 6-13, 2008 as Lafayette City Swim Week**
Recommendation: Approve proclamation recognizing the forty-second annual Lafayette City Swim Meet and proclaimed the week of July 16-13, 2008 as Lafayette City Swim Week.

ACTION: It was M/S/C (Tatzin/Federighi) to approve proclamation recognizing the forty-second annual Lafayette City Swim Meet and proclaimed the week of July 16-13, 2008 as Lafayette City Swim Week. Vote: 5-0-0 (Ayes: Anderson, Tatzin, Andersson, Anduri, Federighi; Noes: None; Absent: None).

14. CLOSED SESSION

A. **Mala Subramanian, City Attorney**
1. **Conference with Legal Counsel - Existing Litigation (Government Code section 54956.9(a).)**
David R. Bruzzone, et al. v. City of Lafayette, et al.

Contra Costa County Superior Court Case No. C02 02145
Recommendation: Discuss and direct legal counsel.

2. **Conference with Legal Counsel – Initiation of Litigation (1 Case) (Government Code section 54956.9(c)**
Recommendation: Discuss and direct staff.

B. **Public Employee Performance Evaluation (Gov. Code section 54957) Title: City Manager**
Recommendation: Discuss and direct staff.

The City Council reconvened the regular meeting from Closed Session, and Mayor Anderson reported that direction was given to legal counsel for Item 1, and no reportable action was taken on Items 2 and 3.

15. ADJOURNMENT

The Council adjourned at _____ p.m. to the next regularly scheduled meeting on Monday, July 14, 2008.

APPROVED:

_____
Mike Anderson, Mayor

ATTEST:

_____
Joanne Robbins, City Clerk